

the Company and certain Guarantors, the validity of the Offered Securities, the Offering Document, the exemption from registration for the offer and sale of the Notes and the Guarantees by the Issuers, respectively, to the several Purchasers and the resales by the several Purchasers as contemplated hereby and other related matters as CSFB may require, and the Issuers shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(i) The Purchasers shall have received a certificate, dated the Closing Date, of the President or any Vice President and a principal financial or accounting officer of the Company and Dynegy Inc. in which such officers, to the best of their knowledge after reasonable investigation, shall state that the representations and warranties of the Company and each Guarantor in this Agreement and the Security Documents are true and correct, that the Company and each Guarantor has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder and under other Operative Documents at or prior to the Closing Date, and that, subsequent to the date of the most recent financial statements in the Offering Document there has been no material adverse change, nor any development or event that reasonably could be expected to result in a prospective material adverse change, in the condition (financial or other), business, properties, results of operations or prospects of the Company, any Guarantor or any of their respective subsidiaries except as set forth in the Offering Circular (exclusive of any amendment or supplement thereto on or after the date hereof).

(j) The Purchasers shall have received a letter, dated the Closing Date, of PricewaterhouseCoopers LLP which meets the requirements of subsection (a) of this Section, except that the specified date referred to in such subsection will be a date not more than three days prior to the Closing Date for the purposes of this subsection.

(k) As of the Closing Date, the representations and warranties contained in the Operative Documents will be true and correct in all material respects.

(l) The Company shall have furnished or caused to be furnished to the Trustee on the Closing Date certificates of officers of the Company reasonably satisfactory to the Trustee as to the accuracy of the representations and warranties of the Obligor in the Operative Documents at and as of such Closing Date and as to such other matters as the Trustee may reasonably request.

(m) The Trustee and the Collateral Agent shall have received evidence reasonably satisfactory to the Trustee and the Collateral Agent that the Collateral Agent shall have "control" (within the meaning of Sections 8-106 and 9-106 of the Uniform Commercial Code) over any securities accounts included in the Collateral.

(n) On the Closing Date, each Operative Document will conform, as to legal matters, in all material respects to the description thereof contained in the Offering Circular.

(o) The Company and each Guarantor will furnish the Purchasers with such conformed copies of such opinions, certificates, letters and documents as the Purchasers reasonably request. CSFB may in its sole discretion waive on behalf of the Purchasers compliance with any conditions to the obligations of the Purchasers hereunder.

#### *7. Indemnification and Contribution.*

(a) The Company and each Guarantor will, jointly and severally, indemnify and hold harmless each Purchaser, its partners, affiliates, directors and officers and each person, if any, who

controls such Purchaser within the meaning of Section 15 of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which such Purchaser may become subject, under the Securities Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Offering Document, or any amendment or supplement thereto, or any related preliminary offering circular, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, including any losses, claims, damages or liabilities arising out of or based upon the Company's or any Guarantor's failure to perform its obligations under Section 5(a) of this Agreement, and will reimburse each Purchaser for any legal or other expenses actually and reasonably incurred by such Purchaser in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred; *provided, however*, that the neither the Company nor any Guarantor will be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Company by any Purchaser through CSFB specifically for use therein, it being understood and agreed that the only such information consists of the information described as such in subsection (b) below; *provided, further, however*, that the foregoing indemnity agreement with respect to losses, claims, damages or liabilities shall not inure to the benefit of any Purchaser (or any person controlling any Purchaser) to the extent that such losses, claims, damages or liabilities arise out of or based upon (x) any untrue statement or alleged untrue statement of any material fact in the Preliminary Offering Circular or (y) the omission or alleged omission to state in the Preliminary Offering Circular a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, if and only if: (1) the person asserting such losses, claims, damages or liabilities purchased Offered Securities from such Purchaser in the initial resale by such Purchaser (such person, an "Initial Resale Purchaser") and a copy of the Offering Circular was not sent or given by or on behalf of such Purchaser to such Initial Resale Purchaser, (2) the Company furnished to the Purchasers sufficient copies of the Offering Circular on a timely basis to permit delivery of the Offering Circular by the Purchasers to all Initial Resale Purchasers at or prior to the delivery of the written confirmation of the sale of the Offered Securities to such person, and (3) the disclosure contained in the Offering Circular cured the defect in the Preliminary Offering Circular giving rise to such losses, claims, damages or liabilities.

(b) Each Purchaser will severally and not jointly indemnify and hold harmless the Company, each Guarantor and their respective directors and officers and each person, if any, who controls the Company or any Guarantor within the meaning of Section 15 of the Securities Act, against any losses, claims, damages or liabilities to which the Company or any Guarantor may become subject, under the Securities Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Offering Document, or any amendment or supplement thereto, or any related preliminary offering circular, or arise out of or are based upon the omission or the alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Purchaser through CSFB specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by the Company and any Guarantor in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred, it being understood and agreed that the only such information furnished by any Purchaser consists of the

following information in the Offering Document furnished on behalf of each Purchaser: the third, fifth, seventh and ninth paragraphs under the caption "Plan of Distribution"; *provided, however*, that the Purchasers shall not be liable for any losses, claims, damages or liabilities arising out of or based upon the Company's or any Guarantor's failure to perform its obligations under Section 5(a) of this Agreement.

(c) Promptly after receipt by an indemnified party under this Section of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under subsection (a) or (b) above, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve it from any liability that it may have under subsection (a) or (b) above except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and *provided further* that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a) or (b) above. In case any such action is brought against any indemnified party and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the contrary; (ii) the indemnifying party has failed within a reasonable time to retain counsel reasonably satisfactory to the indemnified party; (iii) the indemnified party shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the indemnifying party; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the indemnifying party shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all indemnified parties, and that all such fees and expenses shall be reimbursed as they are incurred. Any such separate firm for any Purchaser, its affiliates, directors and officers and any control persons of such Purchaser shall be designated in writing by CSFB and any such separate firm for the Company, the Guarantors, their directors and officers and any control persons of the Company and the Guarantors shall be designated in writing by the Company. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement includes (i) an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a statement as to or an admission of fault, culpability or failure to act by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Issuers on the one hand

and the Purchasers on the other from the offering of the Offered Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Issuers on the one hand and the Purchasers on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Issuers on the one hand and the Purchasers on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Issuers bear to the total discounts and commissions received by the Purchasers from the Issuers under this Agreement. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Issuers or the Purchasers and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), no Purchaser shall be required to contribute any amount in excess of the amount by which the total discounts, fees and commissions received by such Purchaser exceeds the amount of any damages which such Purchaser has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. The Purchasers' obligations in this subsection (d) to contribute are several in proportion to their respective purchase obligations and not joint.

(e) The obligations of the Company and each Guarantor under this Section shall be in addition to any liability which the Company and each Guarantor may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Purchaser within the meaning of the Securities Act or the Exchange Act; and the obligations of the Purchasers under this Section shall be in addition to any liability which the respective Purchasers may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls the Company or any Guarantor within the meaning of the Securities Act or the Exchange Act.

8. *Default of Purchasers.* If any Purchaser or Purchasers default in their obligations to purchase Securities hereunder and the aggregate principal amount of the Offered Securities that such defaulting Purchaser or Purchasers agreed but failed to purchase does not exceed 10% of the total principal amount of the Offered Securities, CSFB may make arrangements satisfactory to the Company for the purchase of such Offered Securities by other persons, including any of the Purchasers, but if no such arrangements are made by the Closing Date, the non-defaulting Purchasers shall be obligated severally, in proportion to their respective commitments hereunder, to purchase the Offered Securities that such defaulting Purchasers agreed but failed to purchase. If any Purchaser or Purchasers so default and the aggregate principal amount of the Offered Securities with respect to which such default or defaults occur exceeds 10% of the total principal amount of the Offered Securities and arrangements satisfactory to CSFB and the Company for the purchase of such Offered Securities by other persons are not made within 36 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Purchaser or the Issuers, except as provided in Section 9. As used in this Agreement, the term "Purchaser" includes any person substituted for a Purchaser under this Section. Nothing herein will relieve a defaulting Purchaser from liability for its default.

9. *Survival of Certain Representations and Obligations.* The respective indemnities, agreements, representations, warranties and other statements of the Issuers or their respective officers and of the several Purchasers set forth in or made pursuant to this Agreement will remain in full force and

effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Purchaser, its affiliates, the Issuers or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Offered Securities. If this Agreement is terminated pursuant to Section 8 or if for any reason the purchase of the Offered Securities by the Purchasers is not consummated, the Issuers shall remain responsible for the expenses to be paid or reimbursed by it pursuant to Section 5 and the respective obligations of the Issuers and the Purchasers pursuant to Section 7 shall remain in effect and if any Offered Securities have been purchased hereunder the representations and warranties in Section 2 and all obligations under Section 5 shall remain in effect; *provided*, that if this Agreement is terminated pursuant to Section 8 hereof, the Issuers shall not be obligated to reimburse any defaulting Purchaser on account of any expenses that otherwise would have been reimbursed hereunder. If the purchase of the Offered Securities by the Purchasers is not consummated for any reason other than solely because of the termination of this Agreement pursuant to Section 8 or the occurrence of any event specified in clause (iii), (iv), (v), (vi) or (vii) of Section 6(b), the Issuers will reimburse the Purchasers for all out-of-pocket expenses (including fees and disbursements of counsel) reasonably incurred by them in connection with the offering of the Offered Securities.

10. *Notices.* All communications hereunder will be in writing and, if sent to the Purchasers will be mailed, delivered, faxed or sent by courier to the Purchasers, c/o Credit Suisse First Boston LLC, Eleven Madison Avenue, New York, New York 10010-3629, Attention: Transactions Advisory Group (Fax: 212-325-4296), or, if sent to the Company or any Guarantor, will be mailed, delivered or telegraphed and confirmed to it at 1000 Louisiana Street, Suite 5800, Houston, Texas 77002 Attention: General Counsel (Fax: 713-507-6808); *provided, however*, that any notice to a Purchaser pursuant to Section 7 will be mailed, delivered, faxed or sent by courier and confirmed to such Purchaser.

11. *Successors.* This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the controlling persons referred to in Section 7, and no other person will have any right or obligation hereunder, except that holders of Offered Securities shall be entitled to enforce the agreements for their benefit contained in the second and third sentences of Section 5(b) hereof against the Issuers as if such holders were parties hereto.

12. *Representation of Purchasers.* CSFB will act for the several Purchasers in connection with this purchase, and any action under this Agreement taken by CSFB will be binding upon all the Purchasers.

13. *Counterparts.* This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

14. *Applicable Law.* ***This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to principles of conflicts of laws.***

The Company and each Guarantor hereby submits to the non-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

If the foregoing is in accordance with the Purchasers understanding of our agreement, kindly sign and return to the Company one of the counterparts hereof, whereupon it will become a binding agreement among the Issuers and the several Purchasers in accordance with its terms.

Very truly yours,

DYNEGY HOLDINGS INC.

By: /s/ Robert T. Ray

Name: Robert T. Ray

Title: Senior Vice President and Treasurer

DYNEGY INC.

BG HOLDINGS, INC.

ILLINOVA CORPORATION

ILLINOVA ENERGY PARTNERS, INC.

ILLINOVA GENERATING COMPANY

IGC GRIMES COUNTY, INC.

IGC GRIMES FRONTIER, INC.

IPG FERNDAL, INC.

IPG PARIS, INC.

CHARTER OAK (PARIS), INC.

By: /s/ Robert T. Ray

Name: Robert T. Ray

Title: Sr. Vice President-Treasurer

[continued]

DYNEGY POWER CORP.

DYNEGY SERVICES, INC.

DYNEGY ENGINEERING, INC.

DYNEGY OPERATING COMPANY

DYNEGY POWER MANAGEMENT SERVICES, INC.

NORTHWAY COGEN, INC.

DYNEGY POWER SERVICES, INC.

MICHIGAN COGEN, INC.

MICHIGAN POWER HOLDINGS, INC.

OYSTER CREEK COGEN, INC.

DPC COLOMBIA – OPON POWER RESOURCES COMPANY

RIVERSIDE GENERATION, INC.

ROLLING HILLS GENERATION, INC.

DYNEGY NORTHEAST GENERATION, INC.

DYNEGY MIDSTREAM GP, INC.

On behalf of each of the entities listed above:

By: /s/ Robert T. Ray

Name: Robert T. Ray

Title: Sr. Vice President-Treasurer

DPC II INC.

DYNEGY POWER MANAGEMENT SERVICES, L.P.,

**By: Dynegy Services, Inc., its general partner**

CALCASIEU POWER, INC.

DYNEGY PARTS AND TECHNICAL SERVICES, INC.

HEP COGEN, INC.

DYNEGY POWER INVESTMENTS, INC.

DYNEGY POWER NEVADA, INC.

MICHIGAN POWER, INC.

OCG COGEN, INC.

RRP COMPANY

TERMO SANTANDER HOLDING, LLC

RIVERSIDE GENERATING COMPANY, L.L.C.

DYNEGY RENAISSANCE POWER, INC.

HUDSON POWER, L.L.C.

DYNEGY LIQUIDS G.P., L.L.C.

**By: Dynegy Midstream Service, Limited Partnership,  
its sole member**

**By: Dynegy Midstream G.P., Inc. its general partner**

On behalf of each of the entities listed above:

By: /s/ Robert T. Ray

Name: Robert T. Ray

Title: Sr. Vice President-Treasurer

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DYNEGY MIDSTREAM SERVICES, LIMITED PARTNERSHIP

**By: Dynegy Midstream G.P., Inc., its general partner**

DYNEGY OPI, LLC

DYNEGY INTRASTATE PIPELINE, LLC

DYNEGY UPPER HOLDINGS, L.L.C.

HAVANA DOCK ENTERPRISES, LLC

DMT G.P., L.L.C.

DYNEGY COAL TRADING & TRANSPORTATION, L.L.C.

BLACK THUNDER MEMBER, INC.

CALCASIEU POWER, L.L.C.

COGEN POWER, INC.

DYNEGY POWER HOLDINGS, INC.

DYNEGY REGULATED HOLDINGS, LLC

BLUEGRASS GENERATION, INC.

DYNEGY CABRILLO II LLC

On behalf of each of the entities listed above:

By: /s/ Robert T. Ray

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Name: Robert T. Ray  
Title: Sr. Vice President-Treasurer

DYNEGY LIQUIDS MARKETING AND TRADE

DYNEGY NGL PIPELINE COMPANY, LLC

DYNEGY ENERGY PIPELINE COMPANY LLC

DMG ENTERPRISES, INC.

DMT HOLDINGS, INC.

DMT HOLDINGS, L.P.

**By: DMT G.P., L.L.C., its general partner**

NGC STORAGE, INC.

PARISH POWER, INC.

DELTA COGEN, INC.

COGEN POWER, L.P.

**By: CoGen Power, Inc., its general partner**

MIDSTREAM BARGE COMPANY, L.L.C.

BLACK MOUNTAIN COGEN, INC.

BLUEGRASS GENERATION COMPANY, L.L.C.

DYNEGY HOLDING COMPANY, L.L.C.

On behalf of each of the entities listed above:

By: /s/ Robert T. Ray

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Name: Robert T. Ray  
Title: Sr. Vice President-Treasurer



BLUE RIDGE GENERATION INC.  
CHICKAHOMINY GENERATING COMPANY  
FLORIDA MERCANTILE POWER, INC.  
GASIFICATION SERVICES, INC.  
HEARD COUNTY POWER, L.L.C.  
HARTWELL INDEPENDENT POWER PARTNERS, INC.  
DYNEGY ROSETON, L.L.C.  
DYNEGY GLOBAL ENERGY, INC.  
DYNEGY GP INC.

DYNEGY TECHNOLOGY CAPITAL CORP.  
DYNEGY STRATEGIC INVESTMENTS, L.P.

**By: Dynegy Strategic Investments GP, L.L.C., its general partner**

ROLLING HILLS GENERATING, L.L.C.  
DYNEGY ENERGY SERVICES, INC.  
DES NORTHEAST, INC.

On behalf of each of the entities listed above:

By: /s/ Robert T. Ray

Name: Robert T. Ray  
Title: Sr. Vice President-Treasurer

BLUE RIDGE GENERATION LLC  
CHICKAHOMINY POWER, LLC  
PALMETTO POWER, L.L.C.  
GEORGIA MERCANTILE POWER, INC.  
HART COUNTY IPP, INC.  
HARTWELL POWER COMPANY  
DYNEGY HUDSON POWER RETAIL, L.L.C.  
DYNEGY BROADBAND MARKETING AND TRADE  
DYNEGY MARKETING AND TRADE

**By: Dynegy GP, Inc.  
its general partner**

DYNEGY STRATEGIC INVESTMENTS GP, L.L.C.  
RENAISSANCE POWER, L.L.C.

DYNEGY POWER MARKETING, INC.  
ILLINOIS POWER ENERGY, INC.

On behalf of each of the entities listed above:

By: /s/ Robert T. Ray

Name: Robert T. Ray  
Title: Sr. Vice President-Treasurer

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DEM GP, LLC

DYNEGY ADMINISTRATIVE SERVICES COMPANY

DFS L.P., LLC

DFS GENERAL PARTNER, LLC

DYNEGY MIDWEST GENERATION, INC.

CHESAPEAKE POWER, INC.

DPC POWER RESOURCES HOLDING COMPANY

ROCKINGHAM POWER, L.L.C.

On behalf of each of the entities listed above:

By: /s/ Robert T. Ray

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Name: Robert T. Ray  
Title: Sr. Vice President-Treasurer

DYNEGY ENERGY MARKETING, LP

**By: DEM GP, LLC, its general partner**

NIPC, Inc.

DYNEGY CATLIN MEMBER, INC.

DYNEGY FINANCIAL SERVICES, LIMITED PARTNERSHIP

**By: DFS General Partner, LLC, its general partner**

DYNEGY I.T., INC.

JAMES RIVER ENERGY CORP.

DRY CREEK POWER, INC.

DYNEGY POWER DEVELOPMENT COMPANY

On behalf of each of the entities listed above:

By: /s/ Robert T. Ray

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Name: Robert T. Ray  
Title: Sr. Vice President-Treasurer

DYNEGY DANSKAMMER, L.L.C.

By: /s/ Charles C. Cook

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Name: Charles C. Cook  
Title: Vice President

DYNEGY MANAGEMENT, INC.

DMS LP, INC.

DMT L.P., L.L.C.

DYNEGY STRATEGIC INVESTMENTS LP, INC.

DEM LP, LLC

By: /s/ Larry F. Altenbaumer

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Name: Larry F. Altenbaumer  
Title: President

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The foregoing Purchase Agreement is hereby confirmed and accepted as of the date first above written.

CREDIT SUISSE FIRST BOSTON LLC  
BANC OF AMERICA SECURITIES LLC  
CITIGROUP GLOBAL MARKETS INC.  
J.P. MORGAN SECURITIES INC.  
LEHMAN BROTHERS INC.

By: CREDIT SUISSE FIRST BOSTON LLC

By: /s/ Jamie Welch

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Name: Jamie Welch  
Title: Managing Director

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**SCHEDULE A**

	<u>Purchaser</u>	<u>Principal Amount of 2010 Offered Securities</u>	<u>Principal Amount of 2013 Offered Securities</u>
Credit Suisse First Boston LLC		\$ 50,000,000	\$ 100,000,000
Banc of America Securities LLC		\$ 12,500,000	\$ 25,000,000
Citigroup Global Markets Inc.		\$ 12,500,000	\$ 25,000,000
J.P. Morgan Securities Inc.		\$ 12,500,000	\$ 25,000,000
Lehman Brothers Inc.		\$ 12,500,000	\$ 25,000,000
Total		<u>\$ 100,000,000</u>	<u>\$ 200,000,000</u>

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**SCHEDULE B****List of New Mortgages and Amended Mortgages**

The following list of mortgages describes each mortgage to be filed in each county and/or parish where real property assets to be mortgaged are located. In some instances, more than one mortgage was filed in a single county and/or parish because more than one asset was located in that county and/or parish. For example, one mortgage may cover the fee property and another may cover the fee property and associated pipelines, gathering systems or compressors located in that county and/or parish.

1. Mortgage, Security Interest, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_, 2003, filed in Acadia Parish, Louisiana
2. Mortgage, Security Interest, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_, 2003, filed in Jefferson Davis Parish, Louisiana
3. Mortgage, Security Interest, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, LP and Dynegy OPI, LLC, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_, 2003, filed in Calcasieu Parish, Louisiana
4. Mortgage, Security Agreement, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_, 2003, filed in Calcasieu Parish, Louisiana
5. Mortgage, Security Agreement, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy NGL Pipeline Company, LLC, for the benefit of Wells Fargo Bank Minnesota, N.A., dated as of October \_\_, 2003, filed in Calcasieu Parish, Louisiana
6. Mortgage, Security Agreement, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_, 2003, filed in Cameron Parish, Louisiana
7. Mortgage, Security Agreement, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_, 2003, filed with the Minerals Management Service.
8. Mortgage, Security Agreement, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_, 2003, filed in Tangipahoa Parish, Louisiana

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9. Mortgage, Security Agreement, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in Acadia Parish, Louisiana
  10. Mortgage, Security Agreement, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in Vermillion Parish, Louisiana
  11. Mortgage, Security Agreement, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in Ascension Parish, Louisiana
  12. Mortgage, Security Agreement, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in Terrebone Parish, Louisiana
  13. Mortgage, Security Agreement, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in Saint Bernard Parish, Louisiana
  14. Mortgage, Security Agreement, Assignment of Leases and Rents, Fixture Filings and Financing Statement by Dynegy Midstream Services, Limited Partnership, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in St. Mary Parish, Louisiana
  15. Leasehold Mortgages, Security Agreement, Assignment of Rents and Leases and Fixture Filing by Riverside Generating Company, L.L.C., for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in Lawrence County, Kentucky
  16. Deed of Trust, by Rockingham North Carolina Rockingham Power, L.L.C., for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in Rockingham County, North Carolina
  17. Open-end Mortgage, Security Agreement, Assignment of Rents and Leases and Fixture Filings by Rolling Hills Generating, L.L.C., for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in Vinton County, Ohio
  18. Leasehold Mortgage, Security Agreement, Assignment of Rents and Leases and Fixture Filings by Bluegrass Generation Company, L.L.C, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in Oldham County, Kentucky

- 
19. Multiple Indebtedness Leasehold Interest, Security Agreement, Assignment of Rents and Leases and Collateral Assignment of Proceeds, by Calcasieu Power LLC, for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in Calcasieu Parish, Louisiana
  20. Modification to Second Lien Fleet Mortgage, by Midstream Barge Company, L.L.C. for the benefit of Wells Fargo Bank Minnesota, N.A., dated October \_\_\_\_, 2003, filed in West Virginia.

---

**ANNEX A***[form of local counsel opinion]*

- (i) Each of [ ] (collectively, the "Guarantors") has been duly incorporated or formed and is an existing corporation in good standing under the laws of the State of [ ];
- (ii) Each of the Guarantors has all requisite corporate power and authority to enter into the Operative Documents and has full power and authority to authorize and perform their respective obligations related to their respective Guarantees as contemplated by this Agreement;
- (iii) The execution and delivery by the Guarantors of their respective Guarantees and the performance of the Guarantors of their obligations thereunder have been duly authorized by all requisite corporate action on the part of the Guarantors;
- (iv) The Indenture has been duly authorized, executed and delivered by each of the Guarantors;
- (v) The execution, delivery and performance of the Operative Documents, the issuance and sale of the Offered Securities and compliance with the terms and provisions thereof will not conflict with or result in a breach or violation of any of the terms and provisions of, or constitute a default under (i) any statute, any rule, regulation or order of any governmental agency or body or any court having jurisdiction over any Guarantor or any of their respective subsidiaries or any of their properties or (ii) the charter or by-laws of any Guarantor or any of its subsidiaries;
- (vi) The Security Documents (other than the Mortgages) have been duly authorized, executed and delivered by each of the Guarantors;
- (vii) This Agreement has been duly authorized, executed and delivered by the Guarantor;
- (viii) The [STATE] Financing Statements are in appropriate form for filing in the Office of the Secretary of State or of the State of [STATE]. Upon the proper filing of the [STATE] Financing Statement in the Office of the Secretary of State of the State of [STATE] the security interest in favor of the Collateral Agent in the Collateral described in the [STATE] Financing Statement will be perfected to the extent a security interest in such Collateral can be perfected under the [STATE] UCC by the filing of a financing statement in that State;
- (ix) The choice of New York law as the governing law for each of the New York Law Documents will be recognized in the state and federal courts sitting in and applying the laws of [STATE] as a valid choice of law in any action to enforce such New York Law Document;
- (x) No Governmental Approval (as defined below) which has not been obtained or taken and is not in full force and effect is required to be obtained or taken by [ ] to authorize or is required in connection with the execution, delivery or performance of the Guarantee by [ ];
- "Governmental Approvals" means any consent, approval, license, authorization or validation of, or filing, recording or registration with, any Governmental Authority of the State of [ ] pursuant to any [Applicable Laws];
- (xi) [Illinois only] Neither [Insert applicable Obligor] nor any subsidiary of [Insert applicable Obligor] is a "public utility" or an "electric utility" as those terms are defined in the Illinois Public Utilities Act;
- (xii) [Colorado and other jurisdictions to the extent agreed upon by local counsel] Based solely on the Organizational Documents and the Certificate, [ ] is owned % by [ ] and % by [ ], in each case, free and clear of any Liens except those created or permitted under the Security Documents (other than the Mortgages);



---

(xiii) [Colorado and other jurisdictions to the extent agreed upon by local counsel] The pledge of the partnership interests in [ ] as security for the Obligations pursuant to the Security Documents (other than the Mortgages) has been duly authorized by all requisite partnership action on the part of [ ]; and

(xiv) [Colorado and other jurisdictions to the extent agreed upon by local counsel] No Governmental approval which has not been obtained or taken and is not in full force and effect is required to be obtained or taken by the Guarantors or [ ] in connection with the pledge of the partnership interests in [ ] to be pledged as security for the Obligations pursuant to the Security Documents (other than the Mortgages).

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**ANNEX B**

*[form of comfort letter]*

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EX-99.3 5 dex993.htm FOURTH AMENDMENT TO THE CREDIT AGREEMENT

EXHIBIT 99.3

EXECUTION COPY

## FOURTH AMENDMENT TO THE CREDIT AGREEMENT

This FOURTH AMENDMENT, dated as of October 9, 2003 (this "***Amendment***"), to the Credit Agreement, dated as of April 1, 2003, as amended by the First Amendment to the Credit Agreement dated as of May 15, 2003, the Second Amendment to the Credit Agreement dated as of June 27, 2003 and the Third Amendment to the Loan Documents dated as of July 15, 2003 and as modified by the Lender Consent dated as of August 1, 2003 (such Credit Agreement, as so amended and modified, being the "***Credit Agreement***"), among Dynegy Holdings Inc., as the borrower (the "***Borrower***"), Dynegy Inc., as the parent guarantor (the "***Parent Guarantor***"), Citibank, N.A. and Bank of America, N.A., as administrative agents (the "***Administrative Agents***") for the Lenders, Bank One, NA (Main Office Chicago), as collateral agent for the Lenders, and the various banks, financial institutions and other lenders parties thereto. Capitalized terms used without definition in this Amendment shall have the meanings set forth in the Credit Agreement.

**WITNESSETH:**

WHEREAS, the Borrower has requested, and the Lenders are willing to grant such request, that the Lenders agree to provide certain amendments with respect to the Credit Agreement as hereinafter set forth;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereof, the parties hereto agree as follows:

SECTION 1. **Amendments**. Subject to the occurrence of the Effective Date, the Credit Agreement is amended as follows:

(a) The definition of "2003 Second Lien Notes" contained in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

"***2003 Second Lien Notes***" means the first tranche and the second tranche of senior secured notes issued by the Borrower and guaranteed by the Subsidiary Guarantors on or after the Third Amendment Effective Date, in accordance with the provisions of Section 7.03(b)(xii)."

SECTION 2. **Conditions to Effectiveness**. This Amendment shall become effective on the first date (the "***Effective Date***") on which, and only if, the Administrative Agents have received confirmation of each of the following, each in form and substance satisfactory to the Administrative Agents:

(a) Execution of Counterparts. The Administrative Agents shall have received counterparts of this Amendment duly executed by each of the Loan Parties and the Required Lenders.

(b) Payment of Fees and Expenses. The Administrative Agents shall have determined that all agency, custodial, filing service, collateral trustee, legal and other fees and disbursements incurred in connection with this Amendment and invoiced through the day immediately prior to the Effective Date, including all fees of the Administrative Agents and their respective counsel, shall have been paid in full by the Borrower.

(c) No Default. No event shall have occurred and be continuing that constitutes a Default.

(d) Certificate. A certificate from the secretary or assistant secretary of the Borrower and each Guarantor dated the Effective Date and certifying (i) that attached thereto is a true and complete copy of resolutions duly adopted by the Board of Directors of the Borrower or such Guarantor, as the case may be, authorizing the execution, delivery and performance of this Amendment and the matters contemplated hereby, and that such resolutions have not been modified, rescinded or amended and are in full force and effect and (ii) all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Amendment and the matters contemplated hereby.

(e) Opinions. Favorable written opinions of O'Melveny & Myers LLP, counsel for the Borrower, the General Counsel or Assistant General Counsel of the Borrower, in each case, dated the Effective Date and addressed to the Administrative Agents and the Lenders as to such matters as the Administrative Agents may reasonably request, and such other opinions reasonably requested by the Administrative Agents.

**SECTION 3. Confirmation of Representations and Warranties and Certain Acknowledgements and Agreements**. The Borrower hereby represents and warrants, on and as of the Effective Date, that the representations and warranties contained in the Credit Agreement are correct and true in all material respects on and as of the date hereof, before and after giving effect to this Amendment, as though made on and as of the date hereof, other than any such representations or warranties that, by their terms, refer to a specific date. The Borrower agrees that all provisions of Section 11.05 of the Credit Agreement are in full force and effect and cover the entering into of this Amendment and the transactions contemplated hereby.

**SECTION 4. Execution in Counterparts**. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

**SECTION 5. Reference to and Effect on the Loan Documents**. (a) On and after the Effective Date, each reference in the Credit Agreement to "this Agreement", "hereunder",

---

"hereof" or words of like import referring to the Credit Agreement, and each reference in each of the other Loan Documents to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement and each of the other Loan Documents, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. Without limiting the generality of the foregoing, the Collateral Documents and all of the Collateral described therein do and shall continue to secure the payment of all Obligations of the Loan Parties under the Loan Documents, in each case as amended by this Amendment.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agents under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

SECTION 6. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York, and shall be subject to the jurisdictional and service provisions of the Credit Agreement, as if this were a part of the Credit Agreement.

SECTION 7. Entire Agreement; Modification. This Amendment constitutes the entire agreement of the parties hereto with respect to the subject matter hereof, there being no other agreements or understandings, oral, written or otherwise, respecting such subject matter, any such agreement or understanding being superseded hereby, shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and may not be amended, extended or otherwise modified, except in a writing executed in whole or in counterparts by each party hereto.

---

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

DYNEGY HOLDINGS INC., as Borrower

By: /s/ ROBERT T. RAY

Name: Robert T. Ray

Title: Sr. Vice President-Treasurer

---

DYNEGY POWER CORP.  
DPC II INC.  
DYNEGY ENGINEERING, INC.  
DYNEGY SERVICES, INC.  
DYNEGY POWER MANAGEMENT SERVICES, L.P.,  
By: Dynegy Services, Inc., its general partner  
CALCASIEU POWER, INC.  
DYNEGY OPERATING COMPANY  
DYNEGY PARTS AND TECHNICAL  
SERVICES, INC.  
DYNEGY POWER MANAGEMENT SERVICES, INC.  
HEP COGEN, INC.  
NORTHWAY COGEN, INC.  
DYNEGY POWER INVESTMENTS, INC.  
DYNEGY POWER SERVICES, INC.  
DYNEGY POWER NEVADA, INC.  
MICHIGAN COGEN, INC.  
MICHIGAN POWER, INC.  
MICHIGAN POWER HOLDINGS, INC.  
OCG COGEN, INC.  
OYSTER CREEK COGEN, INC.  
RRP COMPANY  
DPC COLOMBIA—OPON POWER  
RESOURCES COMPANY  
TERMO SANTANDER HOLDING, LLC  
RIVERSIDE GENERATION, INC.  
RIVERSIDE GENERATING COMPANY, L.L.C.  
ROLLING HILLS GENERATION, INC.  
DYNEGY RENAISSANCE POWER, INC.  
DYNEGY NORTHEAST GENERATION, INC.  
HUDSON POWER, L.L.C.  
DYNEGY MIDSTREAM GP, INC.  
DYNEGY MIDSTREAM SERVICES, LIMITED PARTNERSHIP  
By: Dynegy Midstream G.P., Inc., its general partner  
MIDSTREAM BARGE COMPANY, L.L.C.

By: /s/ ROBERT T. RAY

---

Robert T. Ray  
Sr. Vice President-Treasurer

---

DYNEGY LIQUIDS MARKETING AND TRADE  
DYNEGY REGULATED HOLDINGS, LLC  
DYNEGY OPI, LLC  
DYNEGY NGL PIPELINE COMPANY, LLC  
DYNEGY INTRASTATE PIPELINE, LLC  
DYNEGY ENERGY PIPELINE COMPANY LLC  
DYNEGY UPPER HOLDINGS, L.L.C.  
DYNEGY HOLDING COMPANY, L.L.C.  
DMG ENTERPRISES, INC.  
HAVANA DOCK ENTERPRISES, LLC  
DMT HOLDINGS, INC.  
DMT G.P., L.L.C.  
DMT HOLDINGS, L.P.  
DYNEGY MARKETING AND TRADE  
DYNEGY COAL TRADING &  
TRANSPORTATION, L.L.C.  
NGC STORAGE, INC.  
BLACK THUNDER MEMBER, INC.  
ILLINOVA CORPORATION  
ILLINOVA GENERATING COMPANY  
IGC GRIMES COUNTY, INC.  
IGC GRIMES FRONTIER, INC.  
IPG FERNDAL, INC.  
IPG PARIS, INC.  
CHARTER OAK (PARIS) INC.  
ILLINOVA ENERGY PARTNERS, INC.  
PARISH POWER, INC.  
CALCASIEU POWER, LLC  
DELTA COGEN, INC.  
DYNEGY POWER HOLDINGS, INC.  
COGEN POWER, INC.  
COGEN POWER, L.P.

By: CoGen Power, Inc., its general partner

DYNEGY LIQUIDS G.P., L.L.C.

By: Dynegy Midstream Services, Limited Partnership,  
its sole member

By: Dynegy Midstream G.P., Inc. its general partner

By: /s/ ROBERT T. RAY

---

Robert T. Ray  
Sr. Vice President-Treasurer



---

DYNEGY INC.  
BG HOLDINGS, INC.  
BLACK MOUNTAIN COGEN, INC.  
BLUEGRASS GENERATION, INC.  
BLUEGRASS GENERATION COMPANY, L.L.C.  
DYNEGY CABRILLO II LLC  
BLUE RIDGE GENERATION INC.  
BLUE RIDGE GENERATION LLC  
CHICKAHOMINY GENERATING COMPANY  
CHICKAHOMINY POWER, LLC  
FLORIDA MERCANTILE POWER, INC.  
PALMETTO POWER, L.L.C.  
GASIFICATION SERVICES, INC.  
GEORGIA MERCANTILE POWER, INC.  
HEARD COUNTY POWER, L.L.C.  
HART COUNTY IPP, INC.  
HARTWELL INDEPENDENT POWER PARTNERS,  
INC.  
HARTWELL POWER COMPANY  
DYNEGY ROSETON, L.L.C.  
DYNEGY HUDSON POWER RETAIL, L.L.C.  
DYNEGY GLOBAL ENERGY, INC.  
DYNEGY BROADBAND MARKETING AND  
TRADE  
DYNEGY GP INC.  
DYNEGY TECHNOLOGY CAPITAL CORP.  
DYNEGY STRATEGIC INVESTMENTS, L.P.  
By: Dynegy Strategic Investments GP, L.L.C.,  
its general partner  
DYNEGY STRATEGIC INVESTMENTS GP, L.L.C.  
RENAISSANCE POWER, L.L.C.  
ROLLING HILLS GENERATING, L.L.C.  
DYNEGY POWER MARKETING, INC.

By: /s/ ROBERT T. RAY

---

Robert T. Ray  
Sr. Vice President-Treasurer

---

DYNEGY ENERGY SERVICES, INC.  
ILLINOIS POWER ENERGY, INC.  
DES NORTHEAST, INC.  
DEM GP, LLC  
DYNEGY ENERGY MARKETING, LP  
By: DEM GP, LLC, its general partner  
DYNEGY ADMINISTRATIVE SERVICES  
COMPANY  
NIPC, INC.  
DFS L.P., LLC  
DFS GENERAL PARTNER, LLC  
DYNEGY FINANCIAL SERVICES, LP  
By: DFS GENERAL PARTNER, LLC, its general  
partner  
DYNEGY CATLIN MEMBER, INC.  
DYNEGY MIDWEST GENERATION, INC.  
DYNEGY I.T., INC.  
CHESAPEAKE POWER, INC.  
JAMES RIVER ENERGY CORP.  
DPC POWER RESOURCES HOLDING  
COMPANY  
DRY CREEK POWER, INC.  
ROCKINGHAM POWER, L.L.C.  
DYNEGY POWER DEVELOPMENT COMPANY

By: /s/ ROBERT T. RAY

---

Robert T. Ray  
Sr. Vice President-Treasurer

---

DYNEGY MANAGEMENT, INC.  
DMS LP, INC.  
DMT L.P., L.L.C.  
DYNEGY STRATEGIC INVESTMENTS LP,  
INC.  
DEM LP, LLC

By: /s/ LARRY F. ALTENBAUMER

---

Larry F. Altenbaumer  
President

---

DYNEGY DANSKAMMER, L.L.C.

By: /s/ J. KEVIN BLODGETT

---

J. Kevin Blodgett  
Assistant Secretary

---

CITIBANK, N.A., as Administrative Agent,  
Payment Agent and Lender

By: /s/ SUSAN McMANIGAL

Name: Susan McManigal  
Title: Senior Vice President

BANK OF AMERICA, N.A.,  
as Administrative Agent and Lender

By: /s/ CLARA YANG STRAND

Name: Clara Yang Strand  
Title: Managing Director

BANK ONE, NA, as L/C Issuer and Lender

By: /s/ RICHARD BROUSSARD

Name: Richard Broussard  
Title: F V P

JPMORGAN CHASE BANK

By: /s/ ROBERT W. TRABAND

Name: Robert W. Traband  
Title: Vice President

THE TORONTO-DOMINION BANK

By: /s/ JILL HALL

Name: Jill Hall  
Title: Manager – Credit Administration

---

ABN AMRO BANK N.V.

By: /s/ FRANK R. RUSSO, JR.

Name: Frank R. Russo, Jr.  
Title: Vice President

By: /s/ JOHN REED

Name: John Reed  
Title: Vice President

## CREDIT LYONNAIS NEW YORK BRANCH

By: /s/ OLIVIER AUDEMAND

Name: Olivier Audemand  
Title: Senior Vice President

CREDIT SUISSE FIRST BOSTON,  
Cayman Island Branch

By: /s/ BRIAN T. CALDWELL

Name: Brian T. Caldwell  
Title: Director

By: /s/ DAVID J. DODD

Name: David J. Dodd  
Title: Associate

## LEHMAN COMMERCIAL PAPER INC.

By: /s/ JANE E. GILLARD

Name: Jane E. Gillard  
Title: Authorized Signatory

---

ROYAL BANK OF CANADABy: /s/ R. S. CHANGName: R.S. Chang  
Title: Vice President

## SOCIETE GENERALE

By: /s/ ELIZABETH W. HUNTERName: Elizabeth W. Hunter  
Title: Director

## WestLB AG, NEW YORK BRANCH

By: /s/ DUNCAN ROBERTSONName: Duncan Robertson  
Title: Executive DirectorBy: /s/ SAL BATTINELLIName: Sal Battinelli  
Title: Managing DirectorDEUTSCHE BANK AG  
NEW YORK BRANCHBy: /s/ RICHARD HENSHALLName: Richard Henshall  
Title: DirectorBy: /s/ JOEL MAKOWSKYName: Joel Makowsky  
Title: Director

---

MERRILL LYNCH CAPITAL CORP.By: /s/ CAROL J.E. FEELEYName: Carol J.E. Feeley  
Title: Vice President

## THE BANK OF NOVA SCOTIA

By: /s/ LEE ORIGONIName: Lee Origoni  
Title: Assistant General Manager

## CREDIT AGRICOLE INDOSUEZ

By: /s/ KATHLEEN M. SWEENEYName: Kathleen M. Sweeney  
Title: Vice PresidentBy: /s/ JOHN MCCLOSKEYName: John McCloskey  
Title: First Vice President

## FLEET NATIONAL BANK

By: /s/ PEGGY PECKAMName: Peggy Peckam  
Title: Senior Workout Officer



---

FLEET CAPITAL CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

## GOLDMAN SACHS CREDIT PARTNERS, L.P.

By: \_\_\_\_\_  
Name:  
Title:

## MIZUHO GLOBAL, LTD.

By: /s/ KAZUAKI KITABATAKE  
Name: Kazuaki Kitabatake  
Title: Deputy General Manager

COMMERZBANK AG, NEW YORK AND  
GRAND CAYMAN BRANCHES

By: /s/ HARRY P. YERGEY  
Name: Harry P. Yergey  
Title: Senior Vice President & Manager

By: /s/ SUBASH R. VISWANATHAN  
Name: Subash R. Viswanathan  
Title: Senior Vice President

---

**BEAR STEARNS & CO., INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MERRILL LYNCH, PIERCE, FENNER &  
SMITH**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CITIGROUP FINANCIAL PRODUCTS INC.**

By: /s/ JOHN HUMPHREY  
Name: John Humphrey  
Title: Managing Director

**OPPENHEIMER SENIOR  
FLOATING RATE FUND**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**SEMINOLE FUNDING LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

---

TRS THEBE LLCBy: /s/ DEBORAH O'KEEFFEName: Deborah O'Keeffe  
Title: Vice President

## UBS AG, STAMFORD BRANCH

By: /s/ ANTHONY N. JOSEPHName: Anthony N. Joseph  
Title: Associate DirectorBy: /s/ JANICE L. RANDOLPHName: Janice L. Randolph  
Title: Associate DirectorBEAR STEARNS INVESTMENT PRODUCTS  
INC.

By: \_\_\_\_\_

Name:  
Title:

## CENTURION CDO II, LTD.

By: American Express Asset Management  
Group Inc. as Collateral ManagerBy: /s/ LEANNE STAVRAKISName: Leanne Stavrakis  
Title: Director – Operations

## CENTURION CDO III, LTD

By: American Express Asset Management  
Group Inc. as Collateral ManagerBy: /s/ LEANNE STAVRAKISName: Leanne Stavrakis  
Title: Director – Operations

---

CENTURION CDO VI, LTD

By: American Express Asset Management  
Group Inc. as Collateral Manager

By: /s/ LEANNE STAVRAKIS

Name: Leanne Stavrakis  
Title: Director – Operations

## HBK MASTER FUND L.P.

By: \_\_\_\_\_

Name:  
Title:

## LAGUNA FUNDING LLC

By: /s/ ANN E. MORRIS

Name: Ann E. Morris  
Title: Asst. Vice President

## SEQUILS-CENTURION V, LTD.

By: \_\_\_\_\_

Name:  
Title:

SPECIAL SITUATIONS  
INVESTING GROUP, INC.

By: \_\_\_\_\_

Name:  
Title:

## COLONIAL FUNDING LLC

By: /s/ ANN E. MORRIS

Name: Ann E. Morris  
Title: Asst. Vice President

---

CASTLERIGG MASTER INVESTMENTS  
LTD.

By: Sandell Asset Mgmt Corp.

By: /s/ THOMAS E. SANDELL

Name: Thomas E. Sandell

Title: Principal

KZH ING-2 LLC

By: /s/ HI HUA

Name: Hi Hua

Title: Authorized Agent

KZH STERLING LLC

By: /s/ HI HUA

Name: Hi Hua

Title: Authorized Agent

<DOCUMENT>  
 <TYPE>EX-4.8  
 <SEQUENCE>10  
 <FILENAME>dex48.txt  
 <DESCRIPTION>INDENTURE - DYNEGY HOLDINGS  
 <TEXT>  
 <PAGE>

Exhibit 4.8  
 EXECUTION COPY

=====

DYNEGY HOLDINGS INC.

and each of the Guarantors named herein

SECOND PRIORITY SENIOR SECURED FLOATING RATE NOTES DUE 2008

9.875% SECOND PRIORITY SENIOR SECURED NOTES DUE 2010

10.125% SECOND PRIORITY SENIOR SECURED NOTES DUE 2013

INDENTURE

Dated as of August 11, 2003

-----

Wilmington Trust Company,  
 as Trustee

-----

Wells Fargo Bank Minnesota, N.A.,  
 as Collateral Trustee

=====

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INDENTURE dated as of August 11, 2003 among Dynegy Holdings Inc., a Delaware corporation, the Guarantors (as defined), Wilmington Trust Company, as trustee (the "Trustee") and Wells Fargo Bank Minnesota, N.A., as collateral trustee (the "Collateral Trustee").

The Company, the Guarantors and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders (as defined) of the Second Priority Senior Secured Floating Rate Notes due 2008 (the "Series A Notes"), the 9.875% Second Priority Senior Secured Notes due 2010 (the "Series B Notes") and the 10.125% Second Priority Senior Secured Notes due 2013 (the "Series C Notes" and, together with the Series A Notes and the Series B Notes, the "Notes"):

ARTICLE 1.  
DEFINITIONS AND INCORPORATION  
BY REFERENCE

## Section 1.01 Definitions.

"144A Global Note" means a Global Note substantially in the form of the applicable Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that shall be issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"ACH Obligations" means any and all obligations of the Company or any of its Subsidiaries owing to any lender under the Credit Agreement or any Affiliate of any lender under the Credit Agreement under any treasury management services agreement, any service terms or any service agreements, including electronic payments service terms and/or automated clearing house agreements, and all overdrafts on any account which the Company or any of its Subsidiaries maintains with any lender under the Credit Agreement or any Affiliate of any lender under the Credit Agreement.

"Acquired Debt" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by

such specified Person.

"Additional Notes" means an unlimited aggregate principal amount of Notes (other than the Initial Notes) of any series issued under this Indenture in accordance with Sections 2.02 and 4.09 hereof, as part of the same series, as the case may be, as the Initial Notes.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; provided that beneficial ownership of 10% or more of the Voting Stock of a Person shall be deemed to be control. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"Affiliate Guarantors" means:

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(1) Dynegy and BG Holdings, Inc., as the direct parent entities of the Company; and

(2) Illinova and the following of its Restricted Subsidiaries: Illinova Energy Partners, Inc.; Illinova Generating Company; IGC Grimes County, Inc.; IGC Grimes Frontier, Inc.; IPG Ferndale, Inc.; IPG Paris, Inc.; and Charter Oak (Paris), Inc., in each case, as Affiliates of the Company, and their respective successors and assigns.

"Agent" means any Registrar, co-registrar, Paying Agent or additional paying agent.

"Alpha Facility" means that certain Amended and Restated Performance Agreement, effective as of March 27, 2001 (as amended and in effect from time to time, the "Alpha Guaranty"), entered into by the Company in favor of ABG Gas Supply, L.L.C. pursuant to which the Company guaranteed the obligations of (1) DMT Supply LP under that certain Amended and Restated Natural Gas Purchase Agreement dated as of March 27, 2001 and (2) Dynegy Marketing & Trade under that certain Nomination Agreement dated as of March 27, 2001 each as amended, related, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to investors) in whole or in part from time to time (the Alpha Guaranty and the documents referred to in clauses (1) and (2) are collectively referred to as the "Alpha Facility").

"Applicable Eurodollar Rate" means, for each quarterly period during which any Series A Note is outstanding subsequent to the initial quarterly period, 650 basis points over the rate determined by the Company (notice of such rate to be sent to the Trustee by the Company on the date of determination thereof), equal to the British Bankers' Association LIBOR rate for deposits in U.S. dollars for a period of three months as reported by any generally recognized financial information services as of 11:00 a.m. (London time) two Business Days immediately prior to the first day of such quarterly period; provided that, if no British Bankers' Association LIBOR rate is available to the Company, the Applicable Eurodollar Rate for the relevant quarterly period shall instead be the rate at which Credit Suisse First Boston LLC or one of its affiliate banks

offers to place deposits in U.S. dollars with first-class banks in the London interbank market for a period of three months at approximately 11:00 a.m. (London time) two Business Days immediately prior to the first day of such quarterly period, in amounts equal to \$1.0 million. The quarterly periods referred to in this definition shall commence on January 15, April 15, July 15 and October 15 of each year; provided that the Applicable Eurodollar Rate for the initial quarterly period commencing upon original issuance of the Series A Notes shall be determined pursuant to this definition on the date that is two Business Days immediately prior to the date of this Indenture. Notwithstanding the foregoing, the Company may delegate the determination of the Applicable Eurodollar Rate to any Calculation Agent pursuant to Section 2.03 hereof.

"Applicable Premium for Series A Notes" means, with respect to any Series A Note on any redemption date, the greater of:

- (1) 1.0% of the principal amount of the Note; or
- (2) the excess of:

- (a) the present value at such redemption date of (i) the redemption price of the Note at July 15, 2006 set forth in Section 3.07(a)(3) plus (ii) all required interest payments due on the Note through July 15, 2006 based on the Applicable Eurodollar Rate then in effect, (excluding accrued but unpaid interest to the redemption date) computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over

- (b) the principal amount of the Note, if greater.

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"Applicable Premium for Series B Notes" means, with respect to any Series B Note on any redemption date, the greater of:

- (1) 1.0% of the principal amount of the Note; or
- (2) the excess of:

- (a) the present value at such redemption date of (i) the redemption price of the Note at July 15, 2007 set forth in Section 3.07(b)(3) plus (ii) all required interest payments due on the Note through July 15, 2007 (excluding accrued but unpaid interest to the redemption date) computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over

- (b) the principal amount of the note, if greater.

"Applicable Premium for Series C Notes" means, with respect to any Series C Note on any redemption date, the greater of:

- (1) 1.0% of the principal amount of the Note; or
- (2) the excess of:

- (a) the present value at such redemption date of (i) the redemption price of the Note at July 15, 2008 set forth in Section 3.07 (c)(3) plus (ii) all required interest payments due on the Note through July 15, 2008 (excluding accrued but unpaid interest to the redemption date) computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points;